



Legislation Text

File #: 19-3312, **Version:** 1

Resolution - A Resolution to Consider Amendment Number Four to the Water Park Ground Lease and Operating Agreement Between STORE Master Funding VIII, LLC, and the City of Mansfield to Allow for Expansion of the Hawaiian Falls Water Park Mansfield

Consider Approving Amendment Number Four to the Water Park Ground Lease and Operating Agreement for Hawaiian Falls

Approve Resolution

On April 24, 2007, the City Council of Mansfield, Texas authorized the entry into a Ground Lease and Operating Agreement (Agreement) between the City of Mansfield and Mansfield Family Entertainment (MFE) for the operation of the property known as Hawaiian Falls. The Agreement was executed on November 20, 2007. Additionally, Amendment Number One to accommodate a loan in the amount of \$2,000,000 was completed on or about November 20, 2007. In November of 2011, Amendment Number Two was executed to allow for \$3,000,000 in the addition of capital improvements. The Agreement was later amended in April of 2012 in order to allow for MFE to acquire a new loan to MFE's parent company, Horizon Family Holdings, LLC (HFH) to pay off the original loan (Amendment Number One) and provide other financial accommodations to HFH.

On December 14, 2015, the City Council approved: MFE's assignment of its lease interest to STORE Master Funding VIII, LLC (STORE). On April 23, 2018, the City Council approved STORE's request to sublease to PPW Mansfield, LLC (ProParks) to operate the water park, performing all obligations required of STORE under the Agreement.

The competitive landscape for water parks in the North Texas region has grown. In order to continue to make the water park successful, STORE is requesting to fund and construct two new attractions in the amount of \$750,000. STORE will pay 100% of the cost up front with the request that the City reimburse 80% of the total project cost following completion of both attractions. Reimbursement will take place through a 50% reduction in the ground lease payment of the annual gross revenues. Improvements will include a concrete seat wall to the Splash Water Reef dividing the shallow end from deeper waters and adding additional shade, and the addition of a new interactive play structure with approximately 9 slides and water dump buckets.

N/A

Shelly Lanners, Deputy City Manager

Shelly.Lanners@mansfieldtexas.gov

817-276-4265